

The Importance of Immigration in Northeast Minnesota

Northeast Minnesota is now home to **325,000 residents**, after suffering a loss of **-1,311 people** since 2010. Due to an older and aging population, the 7-county planning region faced a natural decrease – more deaths than births – of 1,927 fewer people from 2010 to 2017. Northeast also had domestic out-migration of 677 people who left to live elsewhere.

However, the Arrowhead region enjoyed **international net in-migration of 1,556 new foreign-born Minnesotans**, offsetting the domestic losses.

Cumulative Estimates of the Components of Population Change in Northeast Minnesota, 2010-2017							
2017 Population Estimate	2010-2017 Estimated Population Change	April 1, 2010 to July 1, 2017					
		Vital Events			Net Migration		
		Natural Increase	Births	Deaths	Total	Inter-national	Domestic
324,914	-1,311	-1,927	23,451	25,378	+879	+1,556	-677

Source: [U.S. Census Bureau, Population Estimates Program](#)

According to the U.S. Census Bureau's American Community Survey, Northeast Minnesota is now home to **7,163 foreign born residents**, or about **2.2 percent of the total population**. The number of immigrants in the region increased by **20.9 percent** from 2010 to 2017, though that did not quite keep pace with the statewide growth rate of 22.2 percent.

The largest number of foreign born residents in the region were from **Asia**, accounting for three in every ten immigrants. Most of these immigrants came from Eastern Asia, including **China** and **Korea**, followed by Southeastern Asia, including the **Philippines** and **Vietnam**. But the fastest growth since 2010 occurred from South Central Asia, primarily **India** and **Pakistan**.

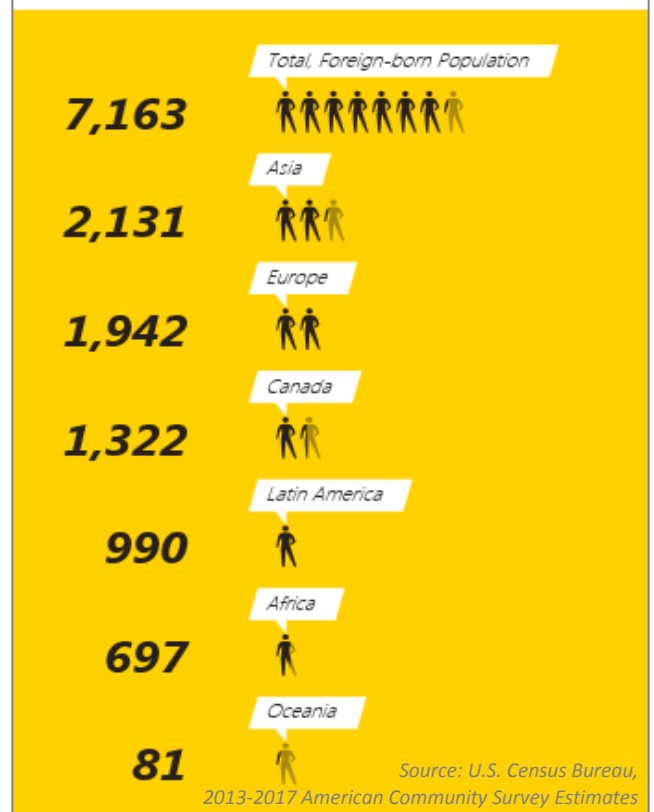
Another 27 percent (1,942 people) of the region's immigrants were from **Europe**, split almost evenly between Western and Eastern Europe, including Germany, Russia, and Poland. However, due to a decline in the number of immigrants from Northern Europe, Europeans were no longer the largest foreign-born group in the region.

The close proximity to the **Canada** border led to 1,322 immigrants from the north, though that number also declined slightly from 2010 to 2017.

Another 990 foreign born residents were from **Latin America**, a 22 percent increase since 2010. This included an influx of residents from **South America**,

most notably Colombia, Chile, and Brazil. Northeast Minnesota also saw a significant gain in the number of immigrants from **Africa** from 2010 to 2017, now comprising 697 people. Nearly two-thirds of those foreign-born residents are from Eastern Africa, a population that more than tripled since 2010. The smallest number (81 people) of immigrants in the region was from **Oceania**, which includes Australia and New Zealand.

Place of Birth for the Foreign Born Population, Northeast Minnesota, 2017



Based on year of entry, **Northeast Minnesota's foreign born population was "older"** than the rest of the state. About 38 percent of the region's immigrants entered the U.S. before 1990 and another 19 percent entered between 1990 and 1999, compared to 21.6 and 23.5 percent statewide, respectively. The remaining 43.1 percent of immigrants in the region settled in the U.S. since 2000.

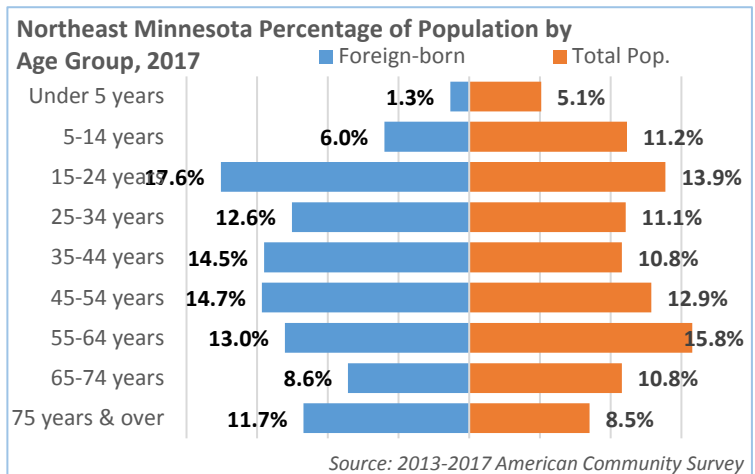
Less than half (46.8%) of foreign born residents in Northeast Minnesota were not U.S. citizens, compared to just over half (50.3%) of immigrants in the state. The other 53.2 percent of immigrants in the region have become naturalized citizens. Across the board, the longer that foreign born residents have lived in the U.S., the more likely they are to have become naturalized – just 7 percent of immigrants in the region that entered since 2010 were U.S. citizens, compared to 78 percent of residents who entered before 1990.

Ready and Willing to Work

Not surprisingly, **immigrants have a much younger age profile** than the native born population. In 2017, about 42 percent of the foreign born population were in their prime working years between 25 and 54 years of age, compared to just 35 percent of the total population. However, only 7.3 percent of Northeast Minnesota's immigrants were under 15 years of age, compared to 16.3 percent of the total population. Likewise, 20.3 percent of the region's foreign born population was 65 years and over, compared to 19.3 percent of the total population.

Population by Age Group for the Foreign Born Population, 2017			Total Population
Northeast Minnesota	Number	Percent	Percent
Under 5 years	96	1.3%	5.1%
5-14 years	430	6.0%	11.2%
15-24 years	1,259	17.6%	13.9%
25-34 years	899	12.6%	11.1%
35-44 years	1,040	14.5%	10.8%
45-54 years	1,051	14.7%	12.9%
55-64 years	934	13.0%	15.8%
65-74 years	614	8.6%	10.8%
75 years & over	840	11.7%	8.5%
Total, Foreign Born	7,163	100.0%	100.0%

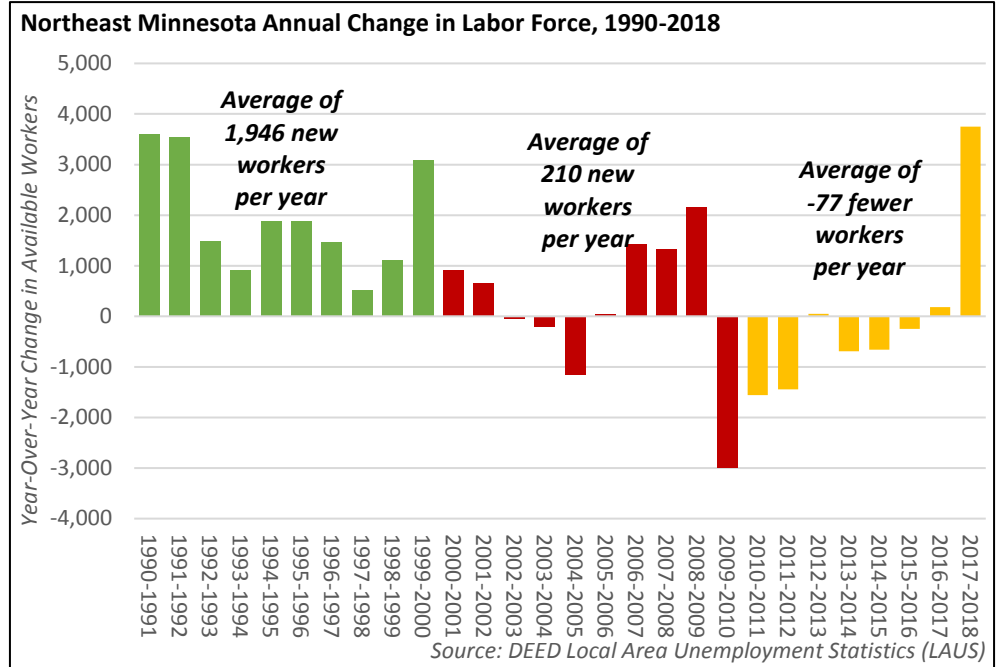
Source: [U.S. Census Bureau, 2013-2017 American Community Survey](#)



Statewide, 72.2 percent of the foreign born population aged 16 years and over was actively participating in the labor force, which was actually higher than the native born population (69.6%). In Northeast Minnesota, that would equal just under **4,610 available immigrant workers**, comprising about **2.8 percent** of the region's workforce.

In the face of increasingly tight labor markets, a growing scarcity of workers is now recognized as one of Northeast Minnesota's most significant barriers to sustained economic growth. Because of these constraints, it has become evident that immigration has been and will continue to be a vital source of the workforce that employers need to succeed. Immigrants have become critical to Northeast Minnesota's economy, providing a rapid stream of new workers in the face of an aging native-born workforce. While the region's overall labor force was shrinking, the number of immigrant workers in the region would have increased by about **830 workers** from 2010 to 2017.

After averaging a net gain of nearly 1,950 additional labor force participants per year between 1990 and 2000, Northeast Minnesota employers were able to tap into a large and growing pool of talented workers. However, from 2010 to 2018, Northeast Minnesota's labor force began to shrink. The region peaked with 169,773 available workers in 2009, then dropped to 162,000 in 2016 before climbing back to 166,151 workers in 2018.



Recently released labor force projections from the Minnesota State Demographic Center suggest this trend will become even more apparent in the years ahead, with **Northeast Minnesota expected to lose another 9,200 workers between 2020 and 2030**. This will make it even more challenging for employers to grow, but will also shine a light on the importance of immigration.

Removing Barriers to Growth

One challenge to assimilating in a new culture is language, but many new Minnesotans have made headway. About 55 percent of immigrants in Northeast Minnesota reported speaking a foreign language, but many of them also had some ability to speak English. Eighty-five percent reported being able to speak English “well” or “very well”, while the others spoke English “not well” or “not at all.”

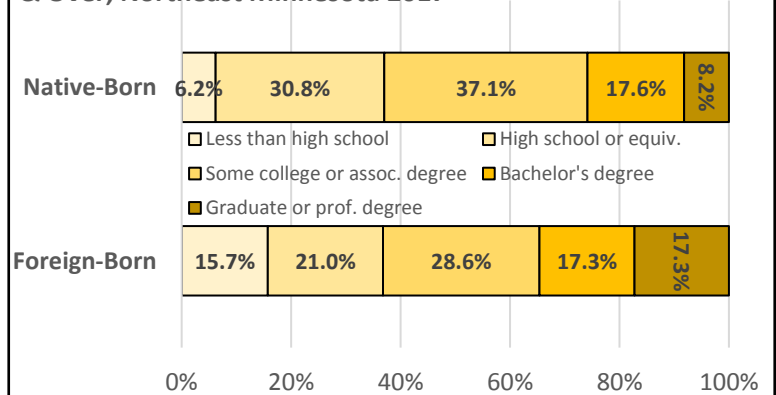
Interestingly, foreign born adults had a higher percentage of bachelor's and advanced degrees, helping to fill high demand openings in health care and computer-related fields. In contrast, about 39 percent of foreign-born residents aged 25 years and over in the region had a high school diploma or less. This is a sizeable number and shows that many immigrants may need access to education to be prepared for the workforce, where jobs for high school graduates are in high demand.

Ability to Speak English for the Foreign Born Population 5 Years & Over, Northeast Minnesota, 2017



Source: U.S. Census Bureau, 2013-2017 American Community Survey Estimates

Educational Attainment for Adults Aged 25 Years & Over, Northeast Minnesota 2017



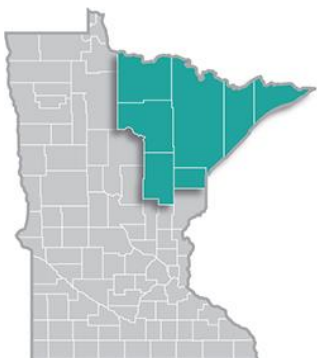
Perhaps due in part to the language and educational barriers described above, immigrants were much more likely to work in certain occupational and industry groups than native born workers. For example, foreign born workers were found more often in service occupations, which includes healthcare support, protective service, food preparation and serving, building and grounds cleaning, and personal care occupations. Immigrants were also more concentrated in production, transportation, and material moving occupations.

Some of these occupations are already showing critical workforce shortages in Minnesota, including nursing, psychiatric, home health and personal care aides as well as computer and construction related occupations. Along those same lines, foreign born workers were much more likely to be found working in industries like manufacturing, leisure and hospitality, and administrative support and waste management services – which includes temporary staffing services. In contrast, immigrants were less likely to be employed in retail trade, public administration, finance, real estate, and construction.

Top Occupations Employing Foreign Born Workers in Northeast Minnesota			
Occupation	Foreign Born Share of Total Employment*	Estimated Immigrant Employment	Regional Median Wage
Personal Care Aides	18.4%	813	\$11.34
Nursing, Psychiatric, & Home Health Aides	15.4%	708	\$14.04
Maids & Housekeeping Cleaners	26.2%	472	\$11.91
Cooks	18.8%	466	\$13.06
Janitors & Cleaners	16.7%	438	\$12.59
Postsecondary Teachers	19.3%	199	\$33.74
Miscellaneous Assemblers & Fabricators	26.4%	177	\$13.25
Physicians & Surgeons	22.0%	114	\$78.07
Software Developers, Applications & Systems	30.3%	91	\$42.23
Miscellaneous Personal Appearance Workers	64.2%	83	\$10.87
Hand Packers & Packagers	35.8%	64	\$10.65
Butchers & Meat, Poultry, & Fish Cutters	39.5%	59	\$18.82
Computer Systems Analysts	17.8%	50	\$35.27
Taxi Drivers & Chauffeurs	31.3%	47	\$11.35
Computer & Information Systems Managers	16.8%	22	\$45.90
Computer Programmers	23.0%	21	\$31.05
Packaging & Filling Machine Operators	38.0%	N/D	\$14.09
Miscellaneous Agricultural Workers	17.9%	N/D	\$10.31
Miscellaneous Media & Communication Workers	63.6%	N/D	N/D
Biomedical Engineers	22.3%	N/D	N/D

Source: [U.S. Census Bureau, DEED Occupational Employment Statistics \(OES\) program](#)
 * - foreign-born share of total employment by occupation in Minnesota

Wherever they work, these new Minnesotans are a vital part of the state's economy, providing rapid growth to an otherwise aging and slowing labor force. Immigrants have proven to be ready and willing contributors, with high and rising labor force participation rates. While some have educational and language barriers to certain jobs, there are a variety of occupations, including many that are already in critical need of workers, where immigrants already contribute in significant numbers. In the years ahead, it is likely that labor force constraints will require that every employer consider our growing foreign-born population as a source of the workforce they will need.



For more information about the importance of immigration in Northeast Minnesota, contact:

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